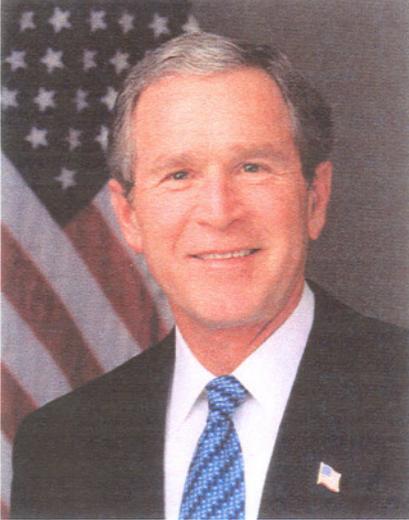


CHIEF HUMAN CAPITAL OFFICERS COUNCIL FISCAL YEAR 2003

ANNUAL REPORT TO THE CONGRESS



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
KAY COLES JAMES, DIRECTOR
SEPTEMBER 2004



“I hope you’ll never take the honor of public service for granted. Some of us will serve in government for a season; others will spend an entire career here. But all of us should dedicate ourselves to great goals: We are not here to mark time, but to make progress, to achieve results, and to leave a record of excellence.”

—President George W. Bush
October 15, 2001
Constitution Hall
Washington, D.C.



“The work of the CHCO Council is going to play an invaluable role in our stepped-up drive for results. Our Federal work force is the driving engine on which all our efforts depend, and the Council will be an essential and influential catalyst in the development of policies and strategies that will shape the Federal Government’s human resources management programs.”

—OPM Director Kay Coles James
CHCO Council Chairman
June 11, 2003
The White House
Washington, D.C.

TABLE OF CONTENTS

A Message from OPM Director Kay Coles James, Council Chairman	2
I. Executive Summary	3
II. Background	4
III. Council Activities	5
IV. Conclusion	8
Appendix 1: Composition of the Chief Human Capital Officers Council's Membership	9
Appendix 2: Chief Human Capital Officers Council Members	10
Appendix 3: Chief Human Capital Officers Council Charter	11
Appendix 4: Executive Committee Roster	14
Appendix 5: Initial Subcommittees	15
Appendix 6: CHCO Council Accomplishments: Fiscal Year 2004	16

**A MESSAGE FROM OPM DIRECTOR KAY COLES JAMES
CHIEF HUMAN CAPITAL OFFICERS COUNCIL CHAIRMAN**

I am pleased to present to Congress the first annual report of the Chief Human Capital Officers (CHCO) Council, detailing activities during Fiscal Year (FY) 2003. By law, the Council was established on May 23, 2003, 180 days after the enactment date of its enabling legislation. To maintain a reporting structure that is parallel with the Fiscal Year, this report details activities during the first four months of the Council's existence, a formative period during which the body made a great deal of progress and developed proactive plans for future activities. A second report will be prepared shortly after the end of FY 2004.

This report was prepared in response to the statutory requirement that the CHCO Council submit annually to Congress a report on the activities of the Council. Section 1401 [note] of title 5, United States Code, establishes a Chief Human Capital Officers Council to advise and coordinate the activities of the agencies of its members on such matters as the modernization of human resources systems, improved quality of human resources information, and legislation affecting human resources operations and organizations.

Since its establishment, the CHCO Council has been actively engaged in assisting agencies in the implementation of the first Government-wide initiative of the President's Management Agenda: the Strategic Management of Human Capital. The Council, its initial subcommittees, and its members are driving this initiative on a daily basis across the Federal Government. As the Council reaches its first anniversary, I am confident that, through its activities, this important body of key policymakers is achieving the elevated profile for human resources issues that Congress and the President envisioned.

This report can be found on the OPM Web site at www.chcoc.opm.gov.

Kay Coles James
Chairman

EXECUTIVE SUMMARY

The *Chief Human Capital Officers Act of 2002* (Act), enacted as part of the *Homeland Security Act of 2002* on November 25, 2002,¹ required the heads of 24 Executive departments and agencies to appoint or designate Chief Human Capital Officers (CHCOs). The Act also established a Chief Human Capital Officers Council (Council) “to advise and coordinate the activities of members’ agencies on such matters as the modernization of human resources systems, improved quality of human resources information, and legislation affecting human resources operations and organizations.”

The 25-member Council is composed of the Director of the Office of Personnel Management (OPM), who serves as chairman; the Deputy Director for Management of the Office of Management and Budget (OMB), who acts as vice chairman; the CHCOs of the 15 Executive departments; and the CHCOs of eight additional agencies designated by the OPM Director.

The Act’s effective date, 180 days after enactment, was May 24, 2003.

On May 24, 2003, OPM Director Kay Coles James, Chairman of the CHCO Council, announced the CHCOs designated by the heads of the 24 Executive departments and agencies specified in the Act. Chairman James also announced the members of the CHCO Council. By statute, the Council is composed of the CHCOs of Executive departments and any other members designated by the OPM Director. Employing this authority, the Chairman designated the CHCOs of several large Executive agencies, as well as a representative group of smaller Executive agencies, as members of the Council.

Chairman James convened the Council for its inaugural meeting on Wednesday, June 11, 2003, in the Indian Treaty Room at the White House. At the meeting, the Council adopted its charter; OPM staff briefed members on the new Governmentwide direct hire and category rating authorities included in the *Homeland Security Act of 2002*; executive vice president for human resources of The Home Depot, Mr. Kevin Donovan, offered a private sector perspective on human capital management; and congressional staff read a letter from Senator George V. Voinovich, the CHCO Act’s author.

The Council held its second meeting on July 23, 2003, at the Office of Personnel Management.

A strategic planning retreat originally scheduled for September 2003 was postponed due to Hurricane Isabel. The retreat took place on November 20-21, 2003, at OPM’s Federal Executive Institute in Charlottesville, Virginia, and will be described in the Council’s Annual Report to the Congress for Fiscal Year 2004.

Chairman James established an Executive Committee composed of nine CHCOs to help steer the Council. In 2004, the Committee is scheduled to meet on a monthly basis. In addition, the Chairman designated the following five initial subcommittees to examine key human resources issues: (1) The Hiring Process; (2) Leadership Development and Succession Planning; (3)

¹ Pub. L. No. 107-296

Performance Management; (4) Employee Conduct and Poor Performers; and (5) Emergency Preparedness. Each subcommittee is chaired by a member of the Executive Committee.

At the Council's inaugural meeting, Chairman James announced the establishment of a CHCO Academy, a forum for Council members to discuss Federal human resources issues, learn from one another in an informal setting, and share best practices in the strategic management of human capital. The Academy meets monthly at OPM.

On November 18, 2003, Chairman James appointed Mr. Michael D. Dovilla the Council's first Executive Director to direct the daily operations of the Council, serve as an advisor to the Chairman and her principal liaison to Council members, and act as a catalyst for assuring rapid, effective, and comprehensive follow-through on Council initiatives.

To enhance communication among members and with external stakeholders, in the near future OPM will launch a Web site containing key information about the Council. Once active, the site will be accessible on the Internet at www.chcoc.opm.gov.

The Council held an offsite with representatives of Federal employee labor organizations to celebrate the first anniversary of the body's establishment. Additional information on this meeting will be provided in the Council's Annual Report to the Congress for Fiscal Year 2004.

BACKGROUND

The *Chief Human Capital Officers Act of 2002* (Act), enacted as part of the *Homeland Security Act of 2002* on November 25, 2002,² required the heads of 24 Executive departments and agencies to appoint or designate Chief Human Capital Officers (CHCOs). In addition, the Act established a Chief Human Capital Officers Council (Council) "to advise and coordinate the activities of members' agencies on such matters as the modernization of human resources systems, improved quality of human resources information, and legislation affecting human resources operations and organizations."³

The 25-member Council is composed of the Director of the Office of Personnel Management (OPM), who serves as chairman; the Deputy Director for Management of the Office of Management and Budget (OMB), who acts as vice chairman; the CHCOs of the 15 Executive departments; and the CHCOs of eight additional agencies designated by the OPM Director.

The Act's effective date, 180 days after enactment, was May 24, 2003.

² Pub. L. No. 107-296

³ 5 USC 1401 note

COUNCIL ACTIVITIES

Designation of Chief Human Capital Officers and Establishment of the Council

On May 24, 2003, OPM Director Kay Coles James, Chairman of the CHCO Council, announced the CHCOs designated by the heads of the 24 Executive departments and agencies specified in the Act, as follows:

Chief Human Capital Officers Inaugural Class • May 24, 2003

Ruthie Jackson	Department of Agriculture
Otto Wolff	Department of Commerce
David Chu	Department of Defense
William Leidinger	Department of Education
Claudia Cross	Department of Energy
Rosemary Taylor	Department of Health and Human Services
Ronald James	Department of Homeland Security
Vickers Meadows	Department of Housing and Urban Development
Lynn Scarlett	Department of the Interior
Joanne Simms	Department of Justice
Patrick Pizzella	Department of Labor
Ruth Davis	Department of State
Michael Dannenhauer	Department of Transportation
Rebecca Contreras	Department of the Treasury
William Campbell	Department of Veterans Affairs
Rose Marie Depp	Agency for International Development
Morris Winn	Environmental Protection Agency
Gail Lovelace	General Services Administration
Vicki Novak	National Aeronautics and Space Administration
Anthony Arnolie	National Science Foundation
Patricia Norry	Nuclear Regulatory Commission
Doris Hausser	Office of Personnel Management
Monika Harrison	Small Business Administration
Reginald Wells	Social Security Administration

The Act cited section 901(b) of title 31, United States Code, a provision of the *Chief Financial Officers Act of 1990*, as the basis for which agencies would have statutory CHCOs. Several agencies not enumerated in the Act embraced the spirit of the legislation, however, and designated CHCOs as well. These agencies include the Central Intelligence Agency (CIA), Federal Labor Relations Authority, and Peace Corps.

On the Act's effective date, Chairman James announced the members of the CHCO Council. By statute, the Council is composed of the CHCOs of Executive departments and any other members designated by the OPM Director. Employing this authority, the Chairman designated the CHCOs of several large Executive agencies, as well as a representative group of smaller

Executive agencies, as members of the Council. Not all statutory CHCOs are members of the Council, while some non-statutory CHCOs are members. The Chairman sought to achieve a representative sample of small agencies on the Council. Accordingly, she selected for membership three of the six smallest agencies' statutory CHCOs. In addition, to highlight the necessity of excellent strategic human capital management in the Intelligence Community and the Federal Government's myriad small agencies, the Chairman designated as Council members the CIA CHCO and a representative of the Small Agency Council, the voluntary management association of approximately 80 sub-Cabinet, independent Federal agencies, each of which generally has fewer than 6,000 employees.

In summary, the Federal Government's CHCOs can be categorized as follows:

- CHCOs of the 15 Cabinet departments specifically enumerated in the Act, all of whom are on the Council;
- CHCOs of nine Executive agencies also listed in the statute, six of whom are on the Council;⁴ and
- CHCOs of other Federal agencies that voluntarily have established these positions, two of whom are on the Council.⁵

Appendix 1 of this report contains a diagram that displays these categories.

Meetings of the Council

June 2003

Chairman James convened the Council for its inaugural meeting on Wednesday, June 11, 2003, in the Indian Treaty Room of the Eisenhower Executive Office Building at the White House. The meeting provided new Council members a chance to introduce themselves and offer thoughts on actions that could be taken to meet current strategic human resources challenges. In calling the inaugural meeting to order, Chairman James described the Council as an additional body through which to drive the implementation of Federal personnel flexibilities within agencies. Citing the initiative and excellence of Federal managers and employees on and after the terrorist attacks of September 11, 2001, the Chairman stated that OPM will continue its commitment of supporting agency requests for assistance in seeking new flexibilities or further implementing existing authorities.

At the meeting, the Council adopted its charter; OPM staff briefed members on the new Government-wide direct hire and category rating authorities included in the *Homeland Security Act of 2002*; executive vice president for human resources of The Home Depot, Mr. Kevin Donovan, offered a private sector perspective on human capital management; and congressional staff read a congratulatory letter from Senator George V. Voinovich (R-Ohio), the CHCO Act's author.

⁴ Of these nine, EPA, GSA, NASA, NRC, OPM, and SSA have seats on the Council.

⁵ Of these agencies, the two represented on the Council are CIA and the Small Agency Council.

July 2003

The Council held its second meeting on July 23, 2003, at the Office of Personnel Management. At the meeting, the Chairman announced the Council's Executive Committee members; OPM staff briefed members on emergency communications, personnel background investigations (including the issues of bogus degrees and questionable résumés) and the Human Capital Performance Fund; and the Council discussed an initial strategic planning retreat as well as the appointment of a Technical Assistant for each CHCO to strengthen lines of communication between the Council, OPM, and agencies.

September 2003

A strategic planning retreat originally scheduled for September 2003 was postponed due to Hurricane Isabel. The retreat took place on November 20-21, 2003, at OPM's Federal Executive Institute in Charlottesville, Virginia, and will be described in the Council's Annual Report to the Congress for Fiscal Year 2004.

Establishment of Executive Committee and Initial Subcommittees

In July 2003, Chairman James established an Executive Committee composed of nine CHCOs to help steer the Council. In 2004, the Committee is scheduled to meet on a monthly basis. In addition, the Chairman designated the following five initial subcommittees to examine key human resources issues: (1) The Hiring Process; (2) Leadership Development and Succession Planning; (3) Performance Management; (4) Employee Conduct and Poor Performers; and (5) Emergency Preparedness. Each subcommittee is chaired by one member of the Executive Committee. The groups, which receive support from OPM and member agency staff, are meeting regularly and have been charged with driving their respective issues and making recommendations to the Council, via the Executive Committee, for regulatory or legislative changes.

Establishment of Chief Human Capital Officers Academy

At the Council's inaugural meeting, Chairman James announced the establishment of a CHCO Academy, a forum for Council members to discuss Federal human resource issues, learn from one another in an informal setting, and share best practices in the strategic management of human capital. The topics of the first three monthly sessions of the Academy, which was launched in February 2004, are (1) current flexibilities under title 5, United States Code, (2) human resources competitive sourcing, and (3) continuing the dialogue on Federal pay reform. The Chairman has invited Council members to recommend issues for discussion at future Academy sessions.

Appointment of Executive Director

On November 18, 2003, Chairman James appointed the Council's first Executive Director to direct the daily operations of the Council, serve as an advisor to the Chairman and her principal liaison to Council members, and act as a catalyst for assuring rapid, effective, and

comprehensive follow-through on Council initiatives. For this position, the Chairman selected Mr. Michael D. Dovilla, a former professional staff member for Senator George V. Voinovich, chairman of the Senate Governmental Affairs Committee's Subcommittee on Oversight of Government Management, the Federal Workforce and the District of Columbia. During his time on Senator Voinovich's staff, Mr. Dovilla, a former Presidential Management Intern, assisted in drafting and guiding to passage by the Congress a package of Federal civil service reforms, including the provisions of the *Chief Human Capital Officers Act of 2002*.

Outreach to External Stakeholders

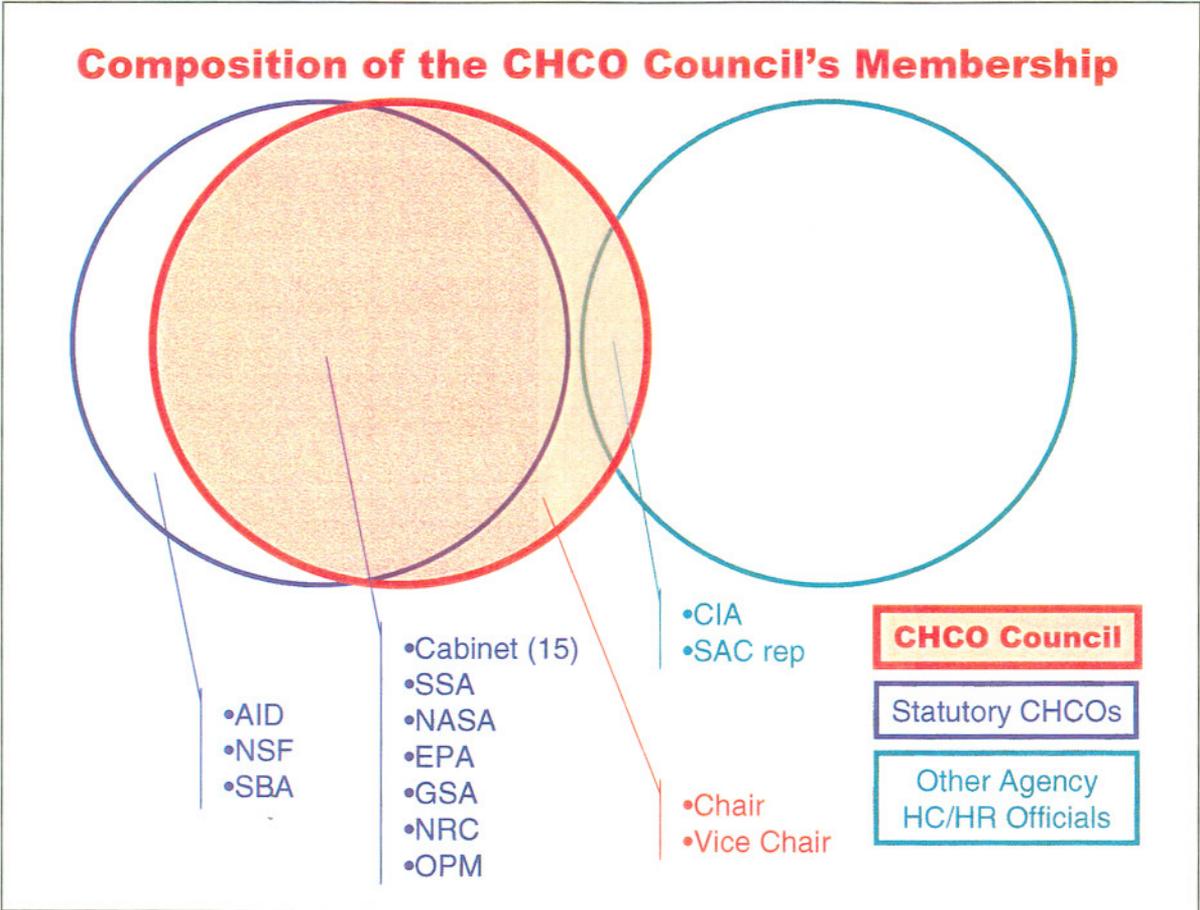
To enhance communication among members and with external stakeholders, OPM will launch in the near future a Web site containing key information about the Council. Once active, the site will be accessible on the Internet at www.chcoc.opm.gov.

In addition, the Council held a major offsite to celebrate the first anniversary of the body's establishment. This meeting included representatives of Federal employee labor organizations, as required at one meeting per year by the Act. Additional information on this meeting will be provided in the Council's Annual Report to the Congress for Fiscal Year 2004.

CONCLUSION

From the first day of its existence as one of the Federal Government's interagency management councils, the Chief Human Capital Officers Council began adding value to the public policy dialogue over the future of America's civil service. As the Council reaches its first anniversary, it already has assumed a prominent place among the interagency management councils that are helping to drive the initiatives of the President's Management Agenda.

The members of the CHCO Council take seriously their important, new responsibilities. With continued attention to the President's charge to achieve results, the American civil service will only grow stronger as it continues to provide the Nation with the critical services our citizens expect.





CHIEF HUMAN CAPITAL OFFICERS COUNCIL

MEMBERS OF THE COUNCIL SEPTEMBER 2004

MS. KAY COLES JAMES, CHAIRMAN
Director
Office of Personnel Management

MR. JOHN SURINA
Acting Assistant Secretary for Administration
Department of Agriculture

MR. OTTO J. WOLFF
Assistant Secretary for Administration
Department of Commerce

DR. DAVID S. C. CHU
Under Secretary for Personnel and Readiness
Department of Defense

MR. WILLIAM LEIDINGER
Assistant Secretary for Management
Department of Education

MS. CLAUDIA CROSS
Director of Human Resources Management
Department of Energy

DR. ED SONTAG
Assistant Secretary for Administration and Management
Department of Health and Human Services

MR. RONALD JAMES
Chief Human Capital Officer
Department of Homeland Security

MS. VICKERS B. MEADOWS
Assistant Secretary for Administration
Department of Housing and Urban Development

MS. LYNN SCARLETT
Assistant Secretary for Policy, Management and Budget
Department of the Interior

MS. JOANNE W. SIMMS
Deputy Assistant Attorney General
for Human Resources and Administration
Department of Justice

MR. PATRICK PIZZELLA
Assistant Secretary for
Administration and Management
Department of Labor

AMB. W. ROBERT PEARSON
Director General of the Foreign Service
and Director of Human Resources
Department of State

MR. CLAY JOHNSON, III, VICE CHAIRMAN
Deputy Director for Management
Office of Management and Budget

MR. VINCENT T. TAYLOR
Assistant Secretary for Administration
Department of Transportation

MS. REBECCA CONTRERAS
Deputy Assistant Secretary for Management
Department of the Treasury

MR. WILLIAM H. CAMPBELL
Assistant Secretary for Management
Department of Veterans Affairs

MR. ROBERT A. REBELO
Chief Human Resources Officer
Central Intelligence Agency

MR. DAVID J. O'CONNOR
Deputy Assistant Administrator for
Administration and Resources Management
Environmental Protection Agency

MS. GAIL LOVELACE
Chief People Officer
General Services Administration

MS. VICKI A. NOVAK
Assistant Administrator for Human Resources
National Aeronautics and Space Administration

MS. PATRICIA G. NORRY
Deputy Executive Director for Management Services
Nuclear Regulatory Commission

DR. DORIS HAUSSER
Senior Policy Advisor to the Director
and Chief Human Capital Officer
Office of Personnel Management

DR. REGINALD WELLS
Deputy Commissioner, Human Resources
Social Security Administration

MR. JOHN SEAL
Chairman, Small Agency Council
Chief Management and Human Capital Officer
Pension Benefit Guaranty Corporation



Charter

UNITED STATES GOVERNMENT CHIEF HUMAN CAPITAL OFFICERS COUNCIL

*Adopted:
June 11, 2003
The White House*

INTRODUCTION

In his Management Agenda, the President has stated that the Federal Government's workforce is one of its most valuable assets. Our employees are a national resource, and the American public expects the Federal workforce to be managed effectively and efficiently on their behalf. The Congress, through law, also supports this goal and has required that agencies establish a system of human capital management with plans that are strategically developed, leadership that has authority and accountability, and performance that is measured and continuously improved.

Chief Human Capital Officers (CHCOs) are essential to the success of human capital management throughout the Federal Government. They are vested with stewardship responsibilities for Federal employees and agencies and also share a collective accountability with OPM for improving the strategic management of human capital throughout the executive branch. They exercise that accountability in part through the CHCO Council, as strategic partners with the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB).

AUTHORITY

The CHCO Council (Council) is formally established by the Chief Human Capital Officers Act of 2002 (Act), which was enacted as part of the Homeland Security Act, Public Law 107-296, on November 25, 2002. The provisions are effective May 24, 2003.

PURPOSES

The purposes of the Council are to:

- Advise OPM, OMB, and agency leaders on human capital strategies and policies, as well as on the assessment of human capital management in Federal agencies.
- Inform and coordinate the activities of its member agencies on such matters as modernization of human resources systems, improved quality of human resources information, and legislation affecting human resources management operations and organizations.
- Assist member CHCOs and other officials with similar responsibilities in fulfilling their individual responsibilities to:
 - (1) Implement the laws governing the Federal civil service, as well as the rules and regulations of the President, OPM, and other agencies with regulatory authority that affects Federal employees;
 - (2) In accordance with those laws and regulations, advise and assist agency heads and other senior officials in carrying out their responsibilities for selecting, developing, training, and managing a high-quality, productive workforce in accordance with merit system principles;
 - (3) Assess workforce characteristics and future needs and align the agency's human resources policies and programs with the agency's mission, strategic goals, and performance objectives;
 - (4) Advocate and assure a culture of continuous learning and high performance, developing and implementing effective strategies to attract, develop, manage, and retain employees with superior abilities;
 - (5) Identify human capital best practices and benchmarks, and apply those exemplars to their agencies and the Federal Government as a whole.
- Provide leadership in identifying and addressing the needs of the Federal Government's human capital community, including training and development.

MEMBERSHIP

The Act establishes as permanent members of the Council:

- (1) the Director of OPM;
- (2) the Deputy Director for Management of OMB; and
- (3) the Chief Human Capital Officers of Executive departments.

The Act also provides that the Director of OPM may designate other members of the Council. Such additional members may include, but are not limited to:

- (1) the Chief Human Capital Officers of other Executive agencies; and
- (2) members who are designated on an *ex officio* basis and who may be invited to contribute to projects, as particular skills and expertise are needed.

The Act provides that the Director of OPM serves as Chairperson of the Council, and the Deputy Director for Management of OMB serves as Vice Chairperson.

OTHER ATTENDEES

As required by the Act, at least once a year, representatives of employee labor organizations will be invited to attend a Council meeting. At the discretion of the Chair, representatives of other organizations may be invited to attend Council meetings.

MEETINGS

Meetings will be scheduled at the direction of the Chair. Attendance will generally be limited to principals and members, as described above, and to others who are specifically invited or approved by the Chair.

When votes are taken, each Council member (other than *ex officio* members) will have one vote. Members must be present to vote.

Invited guests who are not Federal employees may express their views, but will not participate in deliberations or decisions on policy matters, unless the meeting has been opened to the public in accordance with the Federal Advisory Committee Act (FACA). Note in this regard that FACA does not normally apply to Council meetings.

Minutes of meetings will be prepared by the Secretary/Treasurer, and copies will be provided to all members. The Secretary/Treasurer will maintain an official archive of all minutes and other official Council documents.

COMMITTEES

The Chair may establish standing committees of the Council and appoint committee chairs and members. The Chair may also establish one or more *ad hoc* committees to deal with specific issues or initiatives.

ANNUAL REPORT

The Act requires that the Council submit each year to Congress a report on the activities of the Council.



**MEMBERS OF THE EXECUTIVE COMMITTEE
SEPTEMBER 2004**

**MS. KAY COLES JAMES
CHAIRMAN**

Director
Office of Personnel Management

**MR. CLAY JOHNSON, III
VICE CHAIRMAN**

Deputy Director for Management
Office of Management and Budget

MR. OTTO J. WOLFF

Assistant Secretary for Administration
Department of Commerce

DR. DAVID S. C. CHU

Under Secretary for Personnel and Readiness
Department of Defense

MR. WILLIAM LEIDINGER

Assistant Secretary for Management
Department of Education

MR. RONALD JAMES

Chief Human Capital Officer
Department of Homeland Security

MS. VICKERS MEADOWS

Assistant Secretary for Administration
Department of Housing and Urban Development

MR. PATRICK PIZZELLA

Assistant Secretary for Administration and Management
Department of Labor

MS. GAIL LOVELACE

Chief People Officer
General Services Administration



**INITIAL SUBCOMMITTEES
SEPTEMBER 2004**

Subcommittee on the Hiring Process

David Chu, Department of Defense, *Chairman*
Ed Sontag, Department of Health and Human Services
William Campbell, Department of Veterans Affairs
Robert Rebelo, Central Intelligence Agency
David O'Connor, Environmental Protection Agency

Subcommittee on Leadership Development and Succession Planning

William Leidinger, Department of Education, *Chairman*
Claudia Cross, Department of Energy
W. Robert Pearson, Department of State
Rebecca Contreras, Department of the Treasury
Patricia Norry, Nuclear Regulatory Commission

Subcommittee on Performance Management

Otto Wolff, Department of Commerce, *Chairman*
John Surina, Department of Agriculture
Lynn Scarlett, Department of the Interior
Doris Hausser, Office of Personnel Management
Reginald Wells, Social Security Administration
John Seal, Small Agency Council

Subcommittee on Employee Conduct and Poor Performers

Patrick Pizzella, Department of Labor, *Chairman*
Vickers Meadows, Department of Housing and Urban Development
Joanne Simms, Department of Justice
Vicki Novak, National Aeronautics and Space Administration

Subcommittee on Emergency Preparedness

Gail Lovelace, General Services Administration, *Chairman*
Ronald James, Department of Homeland Security
Vincent Taylor, Department of Transportation
John Seal, Small Agency Council



CHCO Council Accomplishments Fiscal Year 2004

*These items will be described comprehensively in the CHCO Council's
Annual Report to the Congress for Fiscal Year 2004.*

Council Activity

- Chairman James convened a retreat of the full Council at OPM's Federal Executive Institute in Charlottesville, Virginia on November 20-21, 2003. All subcommittees presented initial findings on their issue areas, OPM staff provided briefings on several issues, including Executive branch detailees and security clearance adjudications, and CHCOs had the opportunity to become familiar with one another and meet the Council's first executive director.
- The Council held six meetings in Fiscal Year (FY) 2004, as follows:
 - January 13, 2004
 - February 10, 2004
 - April 13, 2004
 - May 25, 2004 (first anniversary joint meeting/training session with Veterans Service Organizations at Walter Reed Army Medical Center in Washington, D.C.)
 - July 13, 2004
 - September 9, 2004 (meeting held in conjunction with OPM's Federal Workforce Conference in Baltimore, Maryland)
- The Executive Committee held six meetings in Fiscal Year (FY) 2004, as follows:
 - January 29, 2004
 - February 26, 2004
 - April 7, 2004
 - May 19, 2004
 - July 29, 2004
 - September 30, 2004
- OPM staff began development of a CHCO Council Web site containing key information about the Council and designed to enhance communication among members and with external stakeholders. The site is set to be launched early in FY 2005.

Interaction with Congress

- Chairman James testified before the House Subcommittee on Civil Service and Agency Organization of the Committee on Government Reform at a hearing titled, "First Year on the Job: Chief Human Capital Officers."
- Chairman James, agency CHCOs, and the executive director participated in interviews with the Government Accountability Office (GAO) in late 2003/early 2004 for a report on the CHCO Council requested by the House Civil Service Subcommittee.

Involvement of CHCOs in Key Strategic Human Capital Management Issues

- To showcase the Administration's efforts to reform the Federal hiring process, Chairman James accompanied several CHCOs to the last of eleven OPM "Working for America" recruitment fairs in New York City.
- To demonstrate the Administration's commitment to increasing the use of telework, Chairman James led CHCOs and human resources staff on a site visit of the Fairfax Telework Center on July 6, 2004.
- To engage CHCOs in discussion and decision-making, Chairman James included in full Council meetings a series of briefings and extensive dialogue on major policy issues such as the new Senior Executive Service pay for performance and agency certification regulations and the revamped Presidential Management Fellows Program.

Subcommittee Activity

- All five subcommittees met regularly throughout FY 2004 to discuss and form a foundation of knowledge on their issue areas.
- Three of the five subcommittees issued initial reports, all of which were presented to the Executive Committee (EC) as follows:
 - Leadership Development and Succession Planning
 - Report presented to EC: February 26, 2004
 - Revised report presented to EC: July 29, 2004
 - Report presented to and approved by full Council: September 9, 2004
 - Chairman James charged OPM staff to implement subcommittee recommendations as soon as possible
 - Employee Conduct and Poor Performers
 - Report submitted to Executive Director: February 18, 2004
 - Report presented to EC: February 26, 2004
 - Report scheduled to be presented to full Council: October 12, 2004
 - The Hiring Process
 - Report presented to Chairman James: April 14, 2004
 - Report presented to EC: July 29, 2004
 - Subcommittee currently revising report based on EC comments
- Two of the five subcommittees have met but have not issued reports on their findings and recommendations. They have, however, taken the following actions:
 - Performance Management
 - Met at OPM on several occasions in 2004
 - Served as a review panel for options pursued in OPM's development of regulations to implement the new statutory Senior Executive Service performance-based compensation system
 - Received OPM briefings on new personnel systems being developed for the Departments of Homeland Security and Defense in order to gain a better understanding of options for performance-based compensation at other Federal agencies



**United States Office of
Personnel Management**
1900 E Street, NW
Washington, DC 20415